BUDGET RESOLUTION/\$34.8 Billion Defense Cut-Domestic Increase

SUBJECT: Senate Concurrent Budget Resolution for fiscal years 1996-2002 . . . S. Con. Res. 13. Harkin/Bumpers

amendment No. 1126.

ACTION: AMENDMENT REJECTED, 28-71

SYNOPSIS: As reported, S. Con. Res. 13, the fiscal year 1996 Concurrent Budget Resolution, will reduce projected spending over 7 years to balance the budget by fiscal year (FY) 2002 without increasing taxes. Savings that will accrue from lower debt service payments (an estimated \$170 billion) will be dedicated to a reserve fund, which may be used for tax reductions after enactment of laws to ensure a balanced budget. Highlights include the following: the rate of growth in Medicare will be slowed to 7.1 percent; Medicaid's rate of growth will be slowed to 5 percent and it will be transformed into a block grant program; the Commerce Department and more than 100 other Federal programs, agencies, and commissions will be eliminated; welfare and housing programs will be reformed; agriculture, energy, and transportation subsidies will be cut; foreign aid will be cut; defense spending will be cut and then allowed to increase back to its 1995 level; and Social Security will not be altered.

The Harkin/Bumpers amendment would reduce defense spending by \$34.8 billion below the levels set in the budget resolution for FYs 1999-2002 and would increase spending under function 500 (education and job training) by the same amount over those years.

Those favoring the amendment contended:

The Harkin amendment would freeze defense spending at \$261.4 billion for each of the next 7 years. The budget resolution, in contrast, will provide that same amount through FY 1998, and then will allow spending to start climbing. We oppose any increases. Giving the Defense Department as much as proposed in the Harkin amendment is more than generous, considering how much money that department annually wastes and considering how greatly that money is needed for spending on social programs. Recently, the Washington Post reported that the Pentagon cannot explain how it spent \$15 billion in the last 10 years, and that it has overdrawn Government checking accounts by at least \$7 billion in payments for goods and services. The amount of waste and inefficiency at

(See other side)

YEAS (28)		NAYS (71)			NOT VOTING (1)	
Republicans	Democrats (26 or 57%)	Republicans (51 or 96%)		Democrats (20 or 43%)	Republicans	Democrats
(2 or 4%)					(1)	(0)
Hatfield Jeffords	Akaka Boxer Bradley Bumpers Byrd Daschle Dorgan Feingold Harkin Kennedy Kerrey Kerry Kohl Lautenberg Leahy Levin Moseley-Braun Moynihan Murray Pell Pryor Reid Rockefeller Sarbanes Simon Wellstone	Abraham Ashcroft Bennett Brown Burns Campbell Chafee Coats Cochran Cohen Coverdell Craig D'Amato DeWine Dole Domenici Faircloth Frist Gorton Gramm Grams Grassley Gregg Hatch Helms	Hutchison Inhofe Kassebaum Kempthorne Kyl Lott Lugar Mack McCain McConnell Murkowski Nickles Packwood Pressler Roth Santorum Shelby Simpson Smith Snowe Specter Stevens Thomas Thompson Thurmond Warner	Baucus Biden Bingaman Breaux Bryan Conrad Dodd Exon Feinstein Ford Glenn Graham Heflin Hollings Inouye Johnston Lieberman Mikulski Nunn Robb	1—Offic 2—Nece 3—Illne 4—Othe SYMBO AY—Ai	LS: nnounced Yea nnounced Nay ired Yea

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the Defense Department is impossible to overstate. Some Senators may counter that the Defense Department needs lots of money, even if it wastes a good deal of it, because it is necessary to have a strong defense to ward off threats from hostile nations. Those Senators should be aware that the United States and its allies will spend more than 10 times on defense than their potential adversaries. This level of spending simply does not make any sense. The Harkin amendment would accordingly cut \$35 billion from the Defense Department and would spend it on educational programs instead. We think investing in our kid's future by providing them with quality education is a far more meritorious use of this money than wasting it on the Defense Department, so we are delighted to cast our votes in favor of the Harkin amendment.

Those opposing the amendment contended:

Our colleagues have made the shocking discovery that the Defense Department does not manage its business with perfection. At the risk of further disturbing their equilibrium, we regret to inform them that all Federal agencies, and indeed all public institutions, tend to operate less efficiently and effectively than private businesses that must be competitive or they go broke. If our colleagues' standard is perfection, then we imagine their next amendment will be to slash funding for the Department of Education, which has as much waste and inefficient as the Defense Department, or perhaps it will be to eliminate the Department of Housing and Urban Development, which wastes even more money than the Defense Department.

Though our colleagues rhetoric on this amendment would logically lead one to believe that such amendments on domestic social programs would be forthcoming, their past actions will likely prove to be a better guide. The supporters of this amendment never complain about waste and inefficiency in social programs, and they would never support a proposal to eliminate waste and inefficiency by cutting overall spending. If such a proposal were made, they would point out that the level of waste may indicate problems with a program's administration, but it indicates nothing about the need for spending. If, for instance, half of all poor people who needed public housing were on the streets because most of HUD's money was being consumed by administrative costs (and this example is purely hypothetical), our colleagues would certainly not say the solution would be to slash funding for HUD. The result of such an action would not fix the administrative problems, but it would result in even more homeless people.

The same logic applies with regard to the Defense Department. The Defense Department has some wasteful spending, as do all Government programs, but it also is already severely underfunded. Over the past 10 years, spending on defense has declined by 35 percent in real terms. Ship purchases are down 80 percent; aircraft purchases are down 86 percent; tank purchases are down 100 percent; strategic missile purchases are down 95 percent; dozens of weapon systems have been canceled; military personnel have been slashed by more than 350,000; three aircraft carriers have been eliminated from the fleet; tank crews cannot train because the Defense Department cannot afford to buy gas for the tanks; infantry cannot train because there is not enough money to buy ammunition. For years we have warned that our colleagues' reckless and relentless cutting of the defense budget would eventually put our country in danger, and virtually every military analyst has echoed our warnings, but we have been ignored. We are no longer in danger of gutting our military capabilities; we have done it, and this budget resolution will do nothing to solve the problem. Already, according to the Secretary of Defense, one-fourth of our Army Divisions are far below peak preparedness. According to the Defense Planning Guidance, this budget will not result in a fleet sufficient to protect our national security interests, nor will it provide for enough heavy bombers.

Despite these facts, our colleagues want to cut \$35 billion more out of the Defense budget for social spending, which, unlike defense spending, has remained relatively constant over the years. After World War I, the United States disarmed and was unprepared for World War II. After World War II, the United States disarmed and was unprepared for the Korean War. After the Cold War, our colleagues want us to disarm again. Each time the United States has been caught unprepared, thousands of ill-equipped and undertrained soldiers have died as it has belatedly rushed to build its defenses even as it has fought. We do not think the world will forever be at peace with the end of the Cold War, and we are therefore against gutting defense and leaving the United States unprepared yet again. We oppose raiding the defense budget for social spending, and we therefore oppose the Harkin amendment.